



The Insider

www.senate.michigan.gov/switalski

Inside State Politics with State Senator Mickey Switalski Senate District 10

January 22, 2010

Welcome to the electronic version of *The Insider*. I would like to take the opportunity to thank you for your support and giving me an opportunity to represent you in the Michigan Senate. It is my sincere hope that this bi-weekly e-newsletter will keep you informed of the happenings in Lansing while staying true to the traditional style of *The Insider*. If you would like to contact me, please feel free to e-mail me at senmswitalski@senate.michigan.gov or call me at my Roseville or Lansing office. You can also meet me in person during my constituent hours, coming to a location near you. Call my office and make an appointment or just walk in. See the schedule below for details.

Mickey's Blog: Local Option Funding For Schools

This year's biggest losers were the so called "20j" schools like Warren Consolidated, Warren Woods, Center Line and South Lake. In all, 37 districts around the state lost an additional \$300 per pupil on top of the \$165 per pupil cut that all schools took.

To ease their transition, I introduced a bill, Senate Bill 1059, on January 14 that would permit *20j schools only* to expand allowable uses of a sinking fund, if approved by district voters, for a 2-year period only.

The fix would not cost the state a dime, which is good because we are broke. But voters in local districts would have a choice. They could approve or reject the sinking fund. Taxpayers could require the district to make the tough choices to absorb the combined \$465 in cuts immediately, or they could approve the sinking fund and allow their district to phase in the reductions over 2 years.

Schools could restore 50% of their 20j loss the first year and 25% the second year. After that the funding would end.

I view this as a special case. The 37 districts must reconcile themselves to the permanent loss of the special 20j funds. But the people of these districts voted in the past to tax themselves at a higher rate, so they might want to do it again, especially if it was part of a 2-year phase out.

Opponents have claimed that my bill creates a slippery slope, and that it will bring millages back to fund schools. I disagree, and I put the following protections in the bill to address those fears. First, the bill applies to 20j districts only. Second, it is only for 2 years, and then the bill sunsets and goes away.

For others, the bill doesn't go far enough. Some people want millages and local option to return. Some want 20j completely and permanently restored at a cost of \$51.5 million a year. But we don't have the

money to restore it. In fact, last week's Revenue Estimating Conference stated we are \$420 million in the red in the K-12 School Aid budget. That means, if we are unable to find another option, we would have to cut K-12 schools in 2011 by \$268 per pupil. The state's General Fund budget is in even worse shape. It is \$1.2 billion in the hole, which would require a 13% across the board cut to balance the budget.

So it is time for 20j supporters to get realistic. 20j is dead and it won't come back. The politics are clear. 550 districts are not going to give \$51.5 million to 37 districts with higher foundation grants than they have. That is \$51.5 million in more debt that would be reflected in higher cuts to the other 550 districts.

My bill simply provides an orderly phase out of 20j, paid for by the locals if they are willing to do so. This is the best we can get, so I hope 20j districts will support this compromise. The alternative is getting nothing, which is where we are right now.

What do you think? I have also included below my floor speech further discussing my introduction of Senate Bill 1059.

Senator Switalski's statement is as follows, as cited in the Senate Journal on January 14, 2010:

"This week's Revenue Estimating Conference defined the challenge that lies ahead in balancing the 2011 budget. The General Fund is projecting a \$1.2 billion deficit, and the School Aid Fund will be \$400 million in arrears, for a combined shortfall of \$1.6 billion. This equates to a \$268 per-pupil cut to the K-12 foundation and a 13 percent across-the-board General Fund reduction.

The estimate revealed a supreme irony. Had October's threatened proration of \$127 per pupil been implemented, the 2011 foundation grant could have been frozen at the 2010 actual level. We could have achieved K-12 budget stability. Instead, schools face a 2011 reduction of \$268 per pupil. Indecision condemned us to repeat the cycle of cuts. The lesson of the last decade is clear: A cure requires that we cut once and cut deep. If we cut shallow, we bleed anew every year.

We did cut deeply into Michigan's 20j districts. In fact, we amputated. Those 37 districts must reconcile themselves to the elimination of 20j's special funding. 20j is dead and will not return. That is a tough message, but we cannot waiver from it. But we could help these 37 districts adjust to that \$300 per-pupil reduction at no cost to the state.

Today, I introduced legislation that would permit 20j schools only to expand allowable uses of a sinking fund with the approval of district voters for a two-year period only. This would allow these unique 37 districts to absorb the loss of \$300 per pupil over a two-year transition period.

This fix will not cost the state a dime. Local districts would have a choice. They could approve or reject the sinking fund. Local voters could require their district to make the tough choices to adjust to a cumulative \$465 per-pupil reduction immediately, or approve a sinking fund and allow them to phase the reduction out over two years.

The 20j had a total value of over \$50 million. Districts would be capped at 50 percent of that value the first year and 25 percent the second year. The third year would be zero as sinking funds would return to current restricted uses.

I view this as a special case. The bill would not affect non-20j districts and would sunset in two years after the adjustment period is over. It is neither a precedent nor a slippery slope. It is an orderly phase out of an exception. The 20j no longer exists, and this bill would not reestablish it. Despite the continued

agitation of its supporters, attempts to restore 20j funding will certainly fail in the context of chronic budget deficits.

It is time to support a compromise that merely provides an opportunity for locals to fashion an orderly withdrawal.”

Mickey’s Ends and Notes

RESIDENTS WARNED TO BEWARE OF HAITI RELIEF DONATION SCAMS

Michigan residents are urged to be cautious and on the lookout for potential charity scams if they choose to make donations to help the victims of the devastating earthquake in Haiti that occurred earlier this month.

In their recent Consumer Alert, “Support Haitian Disaster Relief-But Avoid Scammers,” (http://www.michigan.gov/ag/0,1607,7-164-17337_17291-229789--,00.html), the Attorney General’s Office warned residents to be particularly skeptical of e-mail requests for donations by unfamiliar organizations, which may be nothing more than identity thieves trying to collect personal information. The alert also provides contact information for established organizations that are involved in relief efforts in Haiti.

They also warn consumers to be on guard against cell phone text message scams and bogus appeals from social networking sites like Facebook. While some leading relief charities now accept donations via cell phone, unsolicited text messages that seek money or personal information, like unsolicited telephone and e-mail communications, should be viewed with suspicion and handled with caution. Even messages that seem to come from established charities can be scams and it is advised that consumers contact charitable organizations of their choice directly.

Citizens are encouraged to visit www.michigan.gov/ag for additional information and advice on charitable giving and other consumer alerts. The Attorney General’s Charitable Trust Section, which licenses most charities that solicit donations, can help answer questions about a specific organization. To reach the Charitable Trust Section, call (517) 373-1152.

MACOMB COUNTY HABITAT FOR HUMANITY LOOKING FOR VOLUNTEERS

The Macomb County Habitat for Humanity is looking for volunteers as well as donations to help in their efforts to build and rebuild homes in partnership with local families in need.

Over the next few years, the Macomb Habitat will be building fewer houses but rehabbing more, including foreclosed and empty homes to help stabilize neighborhoods within Macomb County. In 2010, the Macomb Habitat plans on building and rehabbing approximately 18-20 properties.

Through volunteer and contract labor, Macomb County Habitat for Humanity (MCHFH) builds or rehabilitates homes in Macomb County for low to medium income families. It works with local communities to re-sell completed homes at Zero Interest to Partner Families. Homeowners put in 250 hours of sweat equity building their own house or on other MCHFH projects and also pay a monthly mortgage payment to Habitat with the money used to build and/or rehab additional homes.

Volunteers are needed to assist at project sites, the office, or the ReStore, with build days scheduled for Wednesday and Saturday. Cash, material, and food donations to help feed volunteers are also welcome.

To learn more or to become a volunteer or donor, please contact (586) 263-1540 or go to their website at <http://www.macombhabitat.org>.

DEQ AND EPA TEAM UP TO ENCOURAGE RESIDENTS TO TEST HOMES FOR RADON

January is National Radon Action Month, and the Michigan Department of Environmental Quality (DEQ) and United States Environmental Protection Agency (EPA) are teaming up with local health departments to encourage Michigan residents to test their homes for radon, a tasteless, odorless, colorless, and radioactive gas.

The Macomb County Health Department, which can be contacted at (586) 469-5235 or by their website (<http://www.macombcountymi.gov/publichealth/index.htm>), offers free radon test kits for county residents. Low-cost radon test kits can also be obtained online at <http://mi.radon.com>.

Radon is a serious health concern. Radon is considered to be the second leading cause of lung cancer in the United States and is estimated to result in more than 21,000 lung cancer deaths in the United States. It is also the leading cause of lung cancer among nonsmokers. According to the Macomb County Health Department, approximately 5-10 percent of homes in the county have elevated radon levels. For more information on radon, log on to the following link: http://www.michigan.gov/deq/0,1607,7-135-3310_4105_4196---,00.html.

WEBSITE GIVES PARENTS INFORMATION ON TOXIC TOYS

The nonprofit Ecology Center in Ann Arbor has released its third annual Consumer Guide to Toxic Chemicals in Toys last month. The guide can be found at www.healthystuff.org and is compiled from the testing of approximately 700 popular toys during the past year. Toys were tested for harmful levels of lead, cadmium, arsenic, mercury and other chemicals.

MDCH WARNS RESIDENTS TO AVOID E-MAIL SCAM ON H1N1 VACCINE

The Centers for Disease Control and Prevention (CDC) and the Office of the Chief Information Security Officer (OCISO) Cyber Security Incident Response Team (CSIRT) have received reports of fraudulent e-mails referencing a CDC-sponsored State Vaccination Program for the H1N1 virus. The messages request that users create a personal H1N1 "Vaccination Profile" on the cdc.gov Web site. The messages then states that anyone who has reached the age of 18 has to have his/her personal "Vaccination Profile" on the cdc.gov site.

Readers should note that the CDC has NOT implemented a state vaccination program requiring registration on www.cdc.gov and e-mails claiming this are a scam. Residents are asked to ignore and delete such e-mails.

Users that click on the embedded link in the e-mail are at risk of having a malicious code installed on their computer system. Internet users are encouraged to take the following steps to reduce the risk of being a victim of a phishing attack:

- Do not follow unsolicited links and do not open or respond to unsolicited email messages.
- Use caution when visiting untrusted Web sites.
- Use caution when entering personal information online.

For more information, please visit www.cdc.gov/hoaxes_rumors.html.

BEWARE OF FURNACE CLEANING SCAMS WHILE WINTERIZING YOUR HOME HEATING SYSTEM

This is the time of year to get your furnace cleaned and ready for winter. The Michigan Department of Energy, Labor & Economic Growth (DELEG) offers some sensible tips so that you do not fall victim to potential scams. In the past, the DELEG Bureau of Construction Codes has been involved in cases where elderly residents have been scammed out of as much as \$30,000 in unnecessary heating and cooling repairs and equipment purchases. These situations can be avoided by knowing how to recognize questionable and potentially fraudulent contractors. The do's and don'ts are:

*Do maintain your furnace by cleaning air returns with a household vacuum cleaner and checking the filter once a month and replacing it if necessary. This will maintain efficiency and prolong the life of the furnace.

*Do get your heating system thoroughly cleaned by a reputable, licensed, local mechanical contractor a minimum of every two years.

*Do get at least three independent written estimates from licensed local mechanical contractors if a furnace repair or replacement is recommended. If you subsequently sign a contract for work, make sure it stipulates that final payment is not due until the mandatory inspection by the mechanical code enforcing agency is approved.

*Do ask to see the mechanical contractor's license and write down the contractor and license number listed on it.

*Do verify that the license is valid and issued for the proper classifications for the work he or she will be conducting for you. You can check this information by visiting the Bureau's website at <http://www.michigan.gov/bcclicense> or by calling the Bureau's Mechanical Division at (517) 241-9325.

*Don't fall for telephone solicitations that offer "low-cost" or "free" furnace cleaning. Once in the dwelling, the worker may tell the homeowners their heating system has serious problems that require immediate attention. Get a written description of the suggested work and seek a second opinion.

*Don't sign a contract just because the worker says you face possible illness or death if the furnace isn't replaced immediately. If told your furnace threatens your health, ask for a written copy of the technician's test results and call your local utility company.

*Don't hire someone who comes to your door with a Shop-Vac vacuum offering to clean your heating ducts. It will not do the job. A proper cleaning requires a high volume vacuum system and maybe even a steam process.

DTE ENERGY AND CONSUMERS ENERGY OFFER UTILITY BILL ASSISTANCE

Now that winter is here, it's important that we begin preparing ourselves and our houses for the colder weather. DTE Energy and Consumers Energy offer a number of programs to help customers with their energy bills.

Payment assistance programs offered to customers include: a medical emergencies program to postpone shutoffs in the event of a medical issue, and a shut-off protection plan to spread future bills out over the year and to include equal monthly payments on an unpaid balance in order to avoid a shut-off.

Some consumers and all senior citizens regardless of their income also qualify for DTE Energy's Winter Protection Plan. This program protects seniors and low-income customers from shutoffs between

November 1 and March 31. During this period, customers must pay a portion of their estimated annual bill plus regular payments on any past-due bills. After March 31, the required bill payments will increase to cover winter bills. For more information on any of these programs, please call Consumers Energy at 800-477-5050 and DTE Energy at 800-477-4747.

Many assistance programs are available by calling 211 at United Way. Weatherization help is available for low-income residents. These programs help with caulking, weather stripping, and insulation. Another program that is available is THAW, the Heat and Warmth Fund, which helps people who are facing a shut-off and have exhausted all federal and state funding programs.

The state offers assistance with energy bills through the State Emergency Relief Program in the Department of Human Services. This program is available to DHS clients and non-DHS clients. For more information, call the Energy Assistance Hotline at 800-292-5650, or visit your local DHS office.

In addition, visit the following websites to learn more about help that is available:

DTE Energy:

<http://www.dteenergy.com/residentialCustomers/billingPayment/paymentPrograms/payAssistance.html>

Consumers Energy: <http://www.consumersenergy.com/welcome.htm>

United Way of Southeastern Michigan: www.uwsem.org

THAW, the Heat and Warmth Fund: http://www.thawfund.org/how_help/index.html

State Emergency Relief Energy Assistance Programs:

<http://www.michigan.gov/heatingassistance/0,1607,7-215-33211-105989--,00.html>

Office Hours

* Here are my next scheduled coffee hours. Please feel to stop on by or make an appointment by calling my office.

January 25, 2010 1:30-2:30 p.m. Senator Switalski's District Office 31513 Gratiot, Suite B	
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Mickey's TV Insider Show

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(Comcast Channel 5/WOW Channel 10)

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(Comcast Channel 5/WOW Channel 10)

Clinton Township

Last week of every month- Sat thru Thurs
(Comcast Channel 5/WOW Channel 10)

Roseville

Various Times-check local listings
(Comcast Channel 18/WOW Channel 10)

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